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April 27, 2009

TO: Each Supervisor

FROM: John F. Schunhoff, Ph.D. 
Interim Director

SUBJECT: **MEDICARE PART D IMPLEMENTATION - MONTHLY
STATUS REPORT - MARCH 2009**

This report is intended to provide a current status of DHS' implementation of the Medicare Part D pilot program at the identified two pilot sites. The pilot programs were scheduled to commence on or before March 31, 2009, pending successful acquisition and installation of the vendor secondary billing system software, hardware, pilot site staff training and implementation of workflow changes.

DHS Pharmacy has coordinated regular monthly stakeholder meetings with the Medicare Part D Work Team. This Work Team is composed of DHS Information Technology (IT), DHS Finance, Contracts & Grants (C&G), and DHS Pharmacy. In addition, County Counsel and representatives from the two pilot sites (Rancho Los Amigos National Rehabilitation Center and Martin L. King, Jr. – MACC) have been active participants.

The Medicare Part D pilots have commenced at both pilot sites. Data is being collected regarding these pilot implementations, and these results will be included in future reports.

Attached is a copy of the March 2009 monthly status report. The highlights of this month's report include:

- The DHS IT department finalized the Pharmacy Billing System Requirements and the HIPAA Business Associate Agreement with DAA Enterprises. Coordinated with DAA Enterprises for system setup and on-site training at Rancho Los Amigos (RLA) and Martin L. King, Jr. – MACC (MLK MACC). Vendor remote access was completed at both pilot sites.
- DHS Finance is finalizing the analysis of projected revenue impact of Medicare Part D implementation at RLA and MLK MACC. The credit/debit terminal at RLA is installed and operational. The financial screening and cashier protocol is completed and tested.
- DHS Pharmacy finalized the Medicare Part D Patient Satisfaction Survey and Patient Notice/Flyer. The Medicare Part D Pilot Metrics were also finalized.

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- Contract and Grants completed and submitted contracts to four of the Medicare Part D Prescription Drug Plan providers.

If you have any questions or need additional information, please let me know.

JFS:srj
808:001

Attachment

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors

Medicare Part D Pilot Implementation – Monthly Status Report Month: March 2009

Objectives

The primary objective of this project is to establish two pilot outpatient pharmacy sites within DHS that will allow for processing and billing of DHS Medicare Part D prescriptions. Currently, DHS outpatient pharmacies are forwarding patients with Medicare Part D insurance to nearby community pharmacies for dispensing of needed medication. This pilot implementation will seek to gather data on the impact of Medicare Part D prescription program to pharmacy operations, expenditure/revenue, patient acceptance and patient satisfaction. Through the collection of baseline metrics, the effectiveness of the pilot site and the impact to patient care will be assessed. DHS has assembled a "Medicare Part D Work Team" that will meet monthly in order to accomplish the specific objectives outlined below.

Specific objectives:

- 1) Install a dual entry pharmacy information system to allow two DHS outpatient pharmacy sites to enter in billing information and perform online claims adjudication with the contracted Medicare Part D Prescription Drug Plan (PDP) providers.
- 2) Enter into a contractual relationship with multiple 2009 Medicare Part D PDP providers that provide service to the dual eligible (Medi-Medi) patient population so that prescriptions may be dispensed within the two pilot onsite pharmacies and revenue obtained.
- 3) Provide patient notice and education regarding Medicare Part D pilot implementation at each pilot site. Finance Department to play integral role in pilot roll-out and revenue assessment.
- 4) Commence Medicare Part D prescription dispensing services and claims adjudication by April 30, 2009 at two pilot outpatient pharmacy sites. Continue pilot for 6 months.
- 5) Review impact to facility operations as a result of the Medicare Part D pilot implementation. Establish metrics to assess operational, financial and patient care impact for Medicare Part D dispensing services.

Key Project Roles and Responsibilities

- DHS Information Technology – Contracting, purchase, and installation of dual entry system at pilot pharmacy locations. To oversee training and implementation.
- DHS Finance – oversee the review of impact to facility Finance as a result of the implementation. DHS Finance team to review and evaluate financial operational impact of implementation of Medicare Part D plans, e.g., assignment of General Ledger (G/L) #'s, posting of Medicare Part D revenue, Cost Report changes, etc.

- DHS Contract and Grants – oversee Medicare Part D Prescription Drug Plan (PDP) contract negotiation and implementation.
- DHS Pharmacy – oversee Medicare Part D project implementation, lead DHS work team meetings, prepare Board status reports, and gather data for final analysis.
- Rancho Los Amigos NRC Pharmacy and Hospital Administration – oversee implementation of pilot at RLA outpatient pharmacy; identify issues and collect data for assessment of implementation.
- Martin L. King, Jr. MACC Pharmacy and Hospital Administration – oversee implementation of pilot at MLK MACC outpatient pharmacy; identify issues and collect data for assessment of implementation.

Project Status

The project summary below provides a view of the status of the various implementation arms of the Medicare Part D project:

Month	Project Objective - Status				
	IT Implementation	PDP Contract Status (C&G)	Finance Implementation	RLA Implementation	MLK Implementation
September 2008					
October 2008					
November 2008					
December 2008					
January 2009					
February 2009					
March 2009					

Project Status Key:

Implementation Progress on Schedule	Implementation Progress Delayed – May Impact Project End Date	Implementation Progress Critical – May Significantly Impact Project End Date
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Detailed Project Status – By Implementation Area

DHS Information Technology	
September 2008	<p>Obtained a precise quote from DAA Enterprises for pharmacy billing software purchase, training, and maintenance cost.</p> <p>Located purchase order information. Clinical Systems Integration, Pharmacy (CSIP) will investigate with the contracting group within IT to either amend the</p>

	<p>purchase order or initiate a contract with DAA Enterprises.</p> <p>Information Technology is also working with system vendors and pharmacy users to determine project scope, and to produce a high level project time line.</p>
October 2008	<p>Facilitated meetings with the pharmacy delegates from the pilot sites. Documented IT related concerns and issues that require attention in moving forward in the pilot program. Consulted on workflow impact and operational risks at pilot sites.</p> <p>Drafted a high level IT project plan with timeline for pharmacy billing system install. Tasks included design, procurement, installation, implementation, and training. Drafted project scope and functional requirements.</p> <p>Organized and facilitated vendor software demo to DHS Finance, DHS Pharmacy, MLK MACC and Rancho Los Amigos Pharmacy.</p> <p>Obtained formal quote from DAA Enterprises for pharmacy billing software purchase, training, and maintenance cost.</p> <p>Analyzed provider contract for potential risk or impact to IT implementation. Initiated analytical efforts to determine current state of carrier vs. finance codes. Discussed with Finance the basic nomenclature of carrier codes from Affinity. Obtained downloads of current crosswalk between Affinity and PSCAS Pharmacy systems.</p>
November 2008	<p>Software and hardware specifications have been reviewed and approved by pharmacy pilot sites (RLA NRC and MLK MACC).</p> <p>HS-2 request for hardware submitted to Material Management by Information Resource Management. Pending approval by Material Management.</p> <p>Sole source justification for software drafted due to Internal Services Department (ISD) predefined cost limits exceeded. Additional information is required prior to submission of sole source justification to ISD.</p> <p>Drafted a tentative IT project plan for Medicare Part D pilot project for scheduled implementation for April 2009. Project plan to be reviewed by the Medicare Part D Work Team.</p>
December 2008	<p>First shipment of ordered hardware for RLA NRC and MLK MACC installation has been received by Information Systems Department. Awaiting second shipment from vendor.</p> <p>Purchase order submitted to DAA Enterprises for Visual Superscript software, maintenance fees, and onsite training from vendor. Awaiting arrival of shipment.</p> <p>Discussions with RLA NRC and MLK MACC pharmacy and IT in identifying roles, responsibilities, and issues.</p>

	<p>Currently revising Microsoft Project plan for the Medicare Part D pilot.</p> <p>Discussions with vendor and local IT for Medicare Part D IT implementation schedule in development. Installation of software and onsite training to be incorporated in implementation schedule.</p> <p>IT coordinated efforts with Finance for continued development of an automated and manual Medicare eligibility check system within Health Services systems at RLA NRC and MLK MACC.</p> <p>DHS IT to oversee MLK MACC IT operations for the Medicare Part D pilot.</p>
January 2009	<p>All hardware and software for RLA NRC and MLK MACC installation has been received by the Information System Departments.</p> <p>DHS IT has been in communications with DAA Enterprises to determine installation and maintenance requirements for the Virtual Superscript (VSS) software. Close communications will be made through the installation and Go Live phases.</p> <p>The data drops for RLA NRC and MLK MACC have been completed.</p> <p>Pre-installation meetings have been scheduled between DHS IT, RLA NRC, and MLK MACC staff.</p> <p>The installation of systems is scheduled at RLA NRC and MLK MACC for February 2009.</p> <p>A revised project plan is under internal Information Technology review. Will be forwarded to the Medicare Part D Work Team after the internal review is complete.</p>
February 2009	<p>Revision of the Functional Requirement document and the Medicare Part D Pilot Project Charter.</p> <p>Workstation at MLK MACC installed with server and testing. Server installed at RLA NRC with testing. A workstation installation is pending with expected completion in mid-March.</p> <p>Half day on site training scheduled for RLA NRC and MLK MACC.</p> <p>Two sets of 2 digit Financial codes for PSCAS are activated. The codes will be used to quantify, in PSCAS, the patient population selected for the pilot project.</p> <p>Vendor remote access is pending with 25% completion. With expected completion in mid-March. Both parties are in process to resolve as a priority.</p> <p>Daily teleconference discussions with DAA Enterprises to communicate outstanding issues.</p>
March 2009	<p>Finalized the Pharmacy Billing System Requirements. Input received from all</p>

	<p>members of the Medicare Part D Work Team.</p> <p>Finalized and executed the HIPAA Business Associate Agreement with DAA Enterprises (vendor).</p> <p>Coordinated the on site training for RLA NRC and MLK MACC by DAA Enterprises of the Virtual Superscript system.</p> <p>Daily teleconference meetings between DHS IT and DAA Enterprises to resolve pending issues prior to the implementation date.</p> <p>Submitted patient and physician data to DAA Enterprises to be preloaded on pharmacy system prior to implementation date. Submitted pharmacy workflow to DAA Enterprises for vendor acknowledgement.</p> <p>Vendor remote access is completed at both pilot sites.</p>
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DHS Finance	
September 2008	<p>On August 18th, and 27th conducted meetings with Revenue Management staff to discuss scope of project, brain storm on issues that need to be addressed, i.e., G/L # assignment, possible assignment of new insurance and payment (revenue) codes, cost reporting implications, and Medicare Part D screening, etc. Assigned staff to investigate and research various Medicare Part D issues.</p> <p>On August 22nd reviewed and provided comments regarding the draft minutes of first Medicare Part D Work Team meeting, and Medicare Part D Work Team Roles and Responsibilities.</p> <p>Awaiting feed back from County Counsel regarding whether or not DHS can waive Medicare Part D co-payments as the DHS does for Medi-Cal co-payments.</p> <p>Contacted Provider Advantage on August 20th to ask if the Medicare Part D coverage type will be available via the VeriLink 270/271 Eligibility Inquiry/Response process.</p> <p>On August 19th Larry Gatton appointed Terry Ford as the DHS Finance point person for this project. On August 23rd Allan Wecker appointed Helen Jew, Chief Program Audits/Reimbursements, as a member of the DHS Finance Medicare Part D Work Team to address expenditure and cost report Medicare Part D related issues.</p>
October 2008	<p>Alerted and provided general overview of Medicare Part D project to key RLA, MLK, and Harbor Metro Care Finance Staff.</p> <p>Meetings with Revenue Management staff to discuss G/L # assignment, possible assignment of new insurance and payment codes, cost reporting implications, and Medicare Part D screening, patient education, etc. Staff distributed various CMS Medicare Part D patient education materials (available</p>

	<p>in both English and Spanish) for review and discussion.</p> <p>On September 22nd provided input on the draft "Estimated New Revenue" document and RLA Pharmacy Financial Code Analysis: Medi-Medi patients for the meeting. Suggested revisions and to be presented at a future meeting. Finance offered to meet with the appropriate Pharmacy staff to revise their Affinity to PSCAS crosswalk table.</p> <p>Provided input in discussion on departmental responsibilities for patient education and counseling. Suggested that Medicare Part D patient education be defined as the distribution of CMS-approved Medicare Part D Fact Sheets that include step-by-step information to help patients select and join a Part D prescription plan. This patient hand-out information is available in both English and Spanish. The Team decided that Patient Financial Services (PFS) staff could distribute (or add) this material to their admission/visit packets for patients and include the Part D information telephone number (800- 633-4227). Further discussion is encouraged to determine referral by PFS staff for additional information.</p> <p>Requested DHS IT information systems overview of Medicare Part D system; specifically, the work flow of pilot program.</p> <p>Discussions with County Counsel regarding the status of updating County Counsel's opinion concerning Medi-Cal co-pay to include Medicare Part D co-pay.</p> <p>Suggested that the Estimated New RLA Revenue for Top 20 Drugs Dispensed Comparing Medicare Part D Plans Matrix be revised with input from Finance.</p> <p>Revenue Services met with Pharmacy staff to develop a revised PSCAS table to properly identify the payer status of patients.</p> <p>Formally requested the DHS healthcare information systems provider when their system will be able to record Medicare Part D coverage and plan information.</p> <p>Met with Provider Advantage, a DHS revenue contract vendor, regarding Medicare part D coverage and plan identification.</p> <p>Continued to meet with DHS Revenue and Expenditure staff as well as facility staff to address numerous implementation issues.</p>
November 2008	<p>Revenue Services (RS) met with Pharmacy staff to review development of a PSCAS billing crosswalk. The group concluded that the PSCAS insurance codes are inaccurate, and the RLA NRC and MLK MACC PSCAS insurance codes differ. RS staff agreed to develop a revised PSCAS Crosswalk Table and requested that Pharmacy provide detailed PSCAS information.</p> <p>RS and Pharmacy staff met on November 13th to review the Medicare Part D</p>

	<p>projected revenue report previously issued to the MPD Team for Rancho Los Amigos National Rehabilitation Center (RLANRC).</p> <p>RS met with Revenue Management staff at RLANRC to discuss the feasibility of auto-filling the 270/271 Eligibility Inquiry/Response (EIR) process into Affinity for Pharmacy use. Conferees concluded that a 270/271 EIR may be generated in the clinics where patients receive prescriptions and that without system modifications, the 271 EIR could be stapled to the patient's prescription and presented to the Pharmacy as proof of Medicare Part D coverage.</p> <p>Continued contact with Provider Advantage regarding whether the Medicare Part D coverage type will be available via the VeriLink 270/271 EIR process.</p> <p>Provided recommendations to the Medicare Part D Metrics/Benchmarks document.</p> <p>Discussions with key RLA NRC, MLK MACC, and Harbor Metro Care Finance staff on preparations to implement Medicare Part D pilot project.</p> <p>Discussions with Revenue Management staff on issues, concerns, follow-up work, and brain storm on issues that need to be addressed, i.e., G/L # assignment, possible assignment of new insurance and payment codes, cost reporting implications, Medicare Part D screening, patient notice, etc.</p> <p>Continued research of CMS website for Medicare Part D facts that may impact PFS operations.</p> <p>Revenue Services forwarded a contact to DHS Pharmacy to assist in the financial impact of implementation of Medicare Part D at RLA NRC and MLK MACC.</p> <p>Request to Pharmacy to confirm the Pharmacy contacts/representatives for each facility requiring credit/debit card terminals have been appraised.</p>
December 2008	<p>In ongoing discussions with Pharmacy, Information Technology, and Internal Revenue Services to determine the feasibility of using PSCAS in the Medicare Part D pilot program. Reviewed the Provider Advantage 270/271 eligibility inquiry/response process as the basis for updating the PSCAS system with an estimated cost of \$30,000.</p> <p>Discussions with DHS Pharmacy in forecasting Medicare Part D projected revenue. Methodology to obtain financial data was revised with additional analysis scheduled.</p> <p>In coordination with other county departments, DHS Finance to submit the application to the Treasury Tax Collector (TTC) for credit/debit terminals. The advisability/feasibility of pre-paid debit cards are under review.</p> <p>Continuing discussion with RLA NRC and MLK MACC Finance in support of</p>

	<p>the Medicare Part D pilot program.</p> <p>Discussions on issues, concerns, follow-up work, and brain storm on issues that need to be addressed, i.e., G/L # assignment, possible assignment of new insurance and payment codes, cost reporting implications, Medicare Part D screening, patient notice, etc.</p> <p>Research of Centers of Medicare and Medicaid Services (CMS) website for possible operational issues.</p>
January 2009	<p>The Taskforce (Pharmacy, Revenue Services, Information Technology, and ISD) continued its work through January 2009 refocusing its efforts on the most feasible method to provide MPD eligibility information to Pharmacy in the most timely and cost-effective manner. The decision was made to use the manual 270/271 eligibility inquiry/response process for the MPD Pilot at Rancho and MLK MACC as the primary means to identify MPD patients. The DAA billing system will serve as a back-up means of identifying eligibility.</p> <p>Revenue Services continued discussions with pilot implementation facility staff to review the MPD projected revenue report. It is estimated that the work is about 50% completed. Staff is projecting completion of a revised MPD revenue estimate by the end of February 2009.</p> <p>Discussions and work among Finance, Pharmacy, IT, TTC, and other organizational units continued regarding the availability, planned installation, and use of credit/debit terminals in DHS outpatient pharmacies. A credit/debit machine has been installed at the MLK pilot site and a dedicated line has been installed at the Rancho pilot site. It is estimated that the Rancho equipment will be operational no sooner than late March 2009.</p> <p>Finance is continuing to work with TTC regarding pre-paid debit cards. If approved, it will not be available until after the initial Pilot implementation. Note: pre-paid debit cards are not required for the targeted implementation date.</p> <p>Finance is in the process of developing metrics and benchmarks for the finance portion of the MPD Metrics and Benchmarks document.</p>
February 2009	<p>Revenue Services continued review of the MPD projected revenue report previously issued to the MPD Team. RLA NRC has provided HSA Finance comparison workload data for use in developing a more accurate revenue estimate and methodology for the MPD pilot at RLA NRC. HSA Finance is finalizing this methodology and will develop a reliable forecast of MPD projected revenue for RLA NRC that can be adapted for use at MLK MACC by mid-March 2009.</p> <p>Finance requested TTC for an additional credit/debit terminal to be installed at RLA NRC on a priority basis. The contract is pending TTC approval. Finance is continuing its work with TTC regarding pre-paid debit cards and, if approved, this service will not be available until after initial Pilot implementation.</p>

	<p>These both are not critical path items required for the April 1, 2009 Pilot implementation.</p> <p>Finance is revising the finance-related portion of the MPD Metrics/Benchmarks document. It is in final review and will be available for the MPD Work Team by mid-March 2009.</p> <p>Finance reviewed and provided comments to the draft Patient Notice/Flyer and the draft Patient Satisfaction Survey prepared by DHS Pharmacy. Finance reviewed and provided comments to the DAA billing requirements document.</p> <p>Finance reviewed and provided comments to the MPD Charter. Finance strongly recommended the MPD Pilot be limited to Medi-Medi patients with no share-of-cost.</p> <p>Revenue Services staff is working on a sixth draft protocol for PFS that is being vetted by RLA NRC and MLK MACC PFS/Finance. Potential changes needed to the financial screening and cashiering processes are being reviewed in preparation of the targeted April 1, 2009 Pilot implementation.</p> <p>Finance continued to work with key RLA, MLK, and Harbor Metro Care Finance Staff on preparations to implement Medicare Part D pilot project.</p> <p>Finance is continuing meetings with HSA and facility staff to discuss issues and concerns, i.e., G/L # assignment, creation of 12 Affinity PAT codes for posting of DPD and co-payments vs assigning 12 different G/L #'s. The G/L #s and Affinity PAT codes will be assigned by no later than April 1, 2009.</p>
March 2009	<p>DHS Finance has completed its analysis of the likely benefits and costs associated with the MPD Pilot program and have developed a rubric to forecast MPD projected revenue for Rancho Los Amigos National Rehabilitation Center (RLANRC). This rubric is expected to be adapted for use at MLK-MACC (MLK) with necessary adjustments to compensate for MLK's non-340B status.</p> <p>The credit/debit terminal at RLANRC was installed and operational on March 25, 2009. Finance is continuing its work with TTC for pre-paid debit cards and, if approved, this service will not be available until after initial Pilot implementation (April 2009). This was not a critical path item required for the April 1, 2009 Pilot implementation.</p> <p>The Finance portion of the MPD Metrics document was completed and forwarded to Pharmacy on March 16, 2009.</p> <p>Finance has finalized discussions with HSA and facility staff to complete the necessary elements needed to post MPD revenue to eCAPS. Twelve (12) subsidiary ledgers have been created to record payments from the 6 contracted MPD plans and the patient co-pay amounts per plan. This information will be posted to 1 G/L # on a monthly basis. The G/L #s and Affinity PAT codes have been assigned and added to the HSA GL.</p>

	<p>Finance will continue to work with key RLA, MLK, and Harbor Metro Care Finance Staff on preparations to implement Medicare Part D pilot project.</p> <p>RS staff completed its Financial Screening and Cashiering protocol which was successfully tested at both pilot facilities.</p> <p>DHS Finance reviewed and provided comments and recommended changes/additions to the material distributed for the meeting by Pharmacy. DHS Finance completed its feedback information for the MPD Charter and forwarded it to Pharmacy for review and comment.</p>
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DHS Contracts and Grants	
September 2008	<p>Contracts and Grants has received a copy of the nine Medicare Part D PDP contracts for 2008, and are in the process of reviewing with County Counsel, as the 2009 PDP plans have not yet been announced. Once the 2009 PDP plans are announced (expected to be late September, 2008), these plans will be reviewed with County Counsel to identify target plans based on (1) contracting terms and (2) DHS formulary match. Any operational contractual requirements will be raised at the next meeting. Any IT contractual requirements to be forwarded to Alice To and raised at the next meeting.</p> <p>Contracts and Grants is working with County Counsel to identify whether the Medicare Part D co-pay may be legally waived for DHS patient dispensing medications within onsite pharmacies.</p>
October 2008	<p>Contracts and Grants reviewed the nine 2008 Medicare Part D PPD contracts and in consultation with Sharon Reichman, County Counsel, reported to the Work Team that the County will accept the terms and conditions of the PPDs.</p> <p>Contract and Grants recommend requesting delegated authority from the Board to sign 2009 Medicare Part D PDP contracts. Request for delegated authority is to be submitted in February 2009 in anticipation for Medicare Part D PDP contract signing.</p> <p>The six 2009 PPDs (Bravo Health, First Health Part D, Health Net, RxAmerica, UniCare and WellCare) were announced on September 26th. Shane D'Souza will obtain the official 2009 plan documents and review them for revised pharmacy reimbursement amount. Dr. D'Souza will also forward them to County Counsel and Contracts and Grants to determine whether the terms and conditions are acceptable to the County. Contracts and Grants on target to produce a Board letter in April 2009.</p>
November 2008	<p>Contracts and Grants provided direction to Pharmacy Affairs regarding the process to secure a check for the Medicare Part D PDP contract with Medco (Bravo Health). A check must accompany each application for which Medco (Bravo Health) will review and if approved, send a contract for County's review which will then be provided to County Counsel for legal review. Additionally, Contracts and Grants provided a statement from CEO Risk Management regarding the County being legally self-insured that is required as part of the</p>

	<p>Medco (Bravo Health) application process.</p> <p>Contracts and Grants on target for a Board letter for April implementation of Medicare Part D pilot program.</p>
December 2008	<p>Contracts and Grants drafting a Board letter for delegated authority to sign 2009 Medicare Part D Prescription plan contracts.</p> <p>County Counsel to determine the collection of the Medicare Part D co-pay. Review of government regulations in progress.</p>
January 2009	<p>Contracts and Grants completed the draft Board letter which was sent to CEO and Counsel for review and approval for the March 3, 2009 Board agenda.</p>
February 2009	<p>The Board letter is on the Board's agenda for March 3, 2009. The letter requests approval of six Agreements with Medicare Part D PDP providers to initiate a pilot plan at two outpatient pharmacy sites in the Department of Health Services; delegate authority to expand the pilot to other DHS facilities and enter into future Agreements.</p> <p>County Counsel has determined that the Medicare Co-pay cannot be waived on a blanket basis. A formal opinion will follow.</p>
March 2009	<p>The contracts with four (4) Medicare Part D Prescription Drug Plan providers (Caremark, RxAmerica, Walgreen Health Initiative and Wellpoint) was completed and sent for full execution.</p> <p>The contract with Medco was initiated.</p>

DHS Pharmacy	
September 2008	<p>Providing leadership to Medicare Part D work team, for which the first meeting took place on August 18th. Work team roles and responsibilities document approved, and department assignments were provided. At this meeting, analysis of DHS patient Medicare Part D statistics were reviewed, as well as CMS plans for Medicare Part D plans for 2009. Prepared meeting summary for 8/18/08 meeting and distributed to work team members. Monthly meetings established for remainder of the calendar year.</p> <p>Contacted CMS pharmacist in order to obtain update in status of release of Medicare Part D PDP for 2009. On August 14th, the Centers of Medicare and Medicaid released the 2009 California benchmark, which is now raised to \$24.86 (from \$19.80), but the actual plan names will be released in late September. Also provided to the committee was the 2009 Call Letter for Medicare Part D Sponsors for detailed information regarding preparation for 2009.</p> <p>Contacted RLA and MLK CEO's to discuss their facility's role in implementation of Medicare Part D pilot site, and requested facility representation for the next work team meeting. Requested IT implementation plan from DHS IT so that high level project time line may be developed.</p>
October 2008	<p>On September 22nd, DHS Pharmacy presented Medi-Medi prescription data obtained from the Data Warehouse for RLA between January and July 2008. A</p>

	<p>50 patient sample revealed majority of prescriptions filled under the MC (Medi-Cal or subsidiaries) and MD (Medicare) insurance carriers within the PSCAS pharmacy system</p> <p>The estimated new RLA revenue for the top 20 drugs dispensed to Medi-Medi patients revealed potential revenue gains from a sample of three Medicare Part D PDP 340B contract plans. Projection of additional prescription volume yielded corresponding additional revenue. However, these revenue estimates need to be reviewed with DHS Finance.</p> <p>Patient education and outreach of Medicare Part D plan options determined as integral portion of the success of the pilot program. Further discussion is needed to determine various departmental roles in patient education and outreach.</p> <p>On September 26th, DHS Pharmacy received and determined the 2009 Medicare Part D PDP plans for low income subsidy patients. The six Medicare Part D PDP plans were forwarded to the Work Team for review along with the 2009 Medicare Part D California Fact Sheet.</p> <p>DHS Pharmacy is in the process of contacting the six plans to determine changes in contractual terms and reimbursement rates. All new contracts forwarded to the Contracts and Grants group.</p>
November 2008	<p>DHS Pharmacy contacted the six Medicare Part D PDP plans and received five contracts and one application (Medco) for the 2009 pilot implementation. Contracts and Grants group were forwarded copies of the contracts for review.</p> <p>DHS Pharmacy reviewed six 2009 Medicare Part D PDP contracts for operational issues and reported back concerns to Medicare Part D Work Team.</p> <p>DHS Finance assisting DHS Pharmacy by forwarding a contact person to help assess the revenue impact of Medicare Part D at RLA NRC and MLK MACC.</p> <p>On November 24th, DHS Pharmacy shared historical prescription data to the work team. Trends from fiscal years 2006-2007 and 2007-2008 showed a decrease in prescription volume. MLK and RLA to use contract staff until workload is manageable.</p> <p>DHS Pharmacy drafted the Medicare Part D Metrics/Benchmarks document for review by the Medicare Part D Work Team. Metrics/benchmarks include operational impact, financial impact, and patient satisfaction/interest. Feedback was provided by DHS Finance on metrics/benchmarks parameters.</p> <p>Supporting DHS Finance in analyzing the revenue impact of Medicare Part D implementation at RLA NRC and MLK MACC. The data set (prescriptions filled for Medi-Medi patients as recognized in PSCAS between January – July 2008), provided by the Data Warehouse, was forwarded to DHS Finance for analysis.</p>
December 2008	<p>DHS Pharmacy submitted an HS-2 for the Bravo Health (Medco) application</p>

	<p>fee (\$100 per pharmacy). A separate HS-2 was submitted for RLA NRC and MLK MACC pharmacies, respectively. Medco contracts are to be received by DHS Pharmacy pending approval of application.</p> <p>Revised Medicare Part D Metrics/Benchmarks for the pilot program. Input received from DHS Finance.</p> <p>Participation in the meeting with IT, ISD, and DHS Finance to evaluate the feasibility of the financial crosswalk between Affinity and PSCAS.</p> <p>Assisting Contracts and Grants in the development of the Board letter for Delegated Authority to sign Medicare Part D contracts.</p>
January 2009	<p>The HS-2 submitted for the Bravo Health (Medco) application is under review by Material Management. Pending approval, will be submitted to the vendor for the contract.</p> <p>Revision of the Medicare Part D Charter with updates to project executive sponsors and participates. Additional revision requested for DHS IT.</p> <p>Coordinating with DHS Finance in the installation of the credit/debit machines at DHS pharmacy sites (including Medicare Part D pilot sites).</p> <p>Working with DHS Finance in revising the Medicare Part D Metrics/Benchmarks for the pilot program. To be presented to the Medicare Part D Work Team upon completion.</p> <p>Revisions to the Contracts and Grants drafted Board letter for Delegated Authority to sign Medicare Part D agreements.</p>
February 2009	<p>The HS-2 was approved by Material Management and submitted with the Medco application. The Medco contracts were received and forwarded to Contracts and Grants. Continued collaboration with Contracts and Grants in preparation for submitting the Medicare Part D PDP agreements.</p> <p>Revision of the Medicare Part D Patient Satisfaction Survey. Input provided from the Medicare Part D Work Team regarding most relevant questions to include. The survey will be presented at the March 2009 meeting.</p> <p>Revision of the Patient Notice/Flyer. With Work Team feedback will present the finalized document at the March 2009 meeting.</p> <p>Discussions with DHS Finance in the revision of the Medicare Part D projected revenue analysis. Change in methodology in determining the projected revenue was concluded. The analysis is to be presented to the Work Team at the March 2009 meeting.</p>
March 2009	<p>Assisted DHS Contracts and Grants in the completion of the four (4) Medicare Part D Prescription Drug Plan provider contracts.</p> <p>Finalized the Medicare Part D Patient Satisfaction Survey. This survey is to be</p>

	<p>used during the pilot program to assess the Medicare Part D service provided to DHS patients.</p> <p>Finalized the Patient Notice/Flyer. This flyer is to be used during the pilot program to notify patients at MLK-MACC and RLA-NRC of the added Medicare Part D prescription service.</p> <p>Finalized the Medicare Part D Metrics. These metrics will be used to assess the effectiveness of the pilot and the impact to patient care.</p> <p>Drafted a Summary of Operational Requirements Identified in Medicare Part D PDP contracts. This was provided to the Work Team and Pharmacy for reference and compliance.</p> <p>Drafted a Medicare Part D Claims Rejection Worksheet. This worksheet will be use to assist MLK-MACC and RLA-NRC pharmacy in the submission of electronic claims and trouble shooting rejected claims.</p> <p>Additional discussions with DHS Finance in the revision of the Medicare Part D projected revenue impact to RLA-NRC.</p>
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RLA Implementation	
January 2009	<p>Rancho Los Amigos has received the pilot hardware and software from DHS IT.</p> <p>Network drops are completed and "red plugs" are in place for the server and workstations.</p> <p>Clinics' roles and responsibilities have been discussed among RLA NRC Finance, Administration, and clinic clerks.</p> <p>RLA NRC administrator of the clinics to address who is responsible for printing the 271 transaction documents with the Medicare Part D insurance information.</p> <p>A physician data set with our doctors' dictation number, last name, first name, NPI number, license number, DEA number, and Department was submitted to DHS IT for vendor upload.</p> <p>The vendor remote access is pending between DAA Enterprises and our IS Department. Both parties are in process to resolve as a priority.</p>
February 2009	<p>Dedicated line for the credit card terminal verified on 2/4/2009.</p> <p>Network access request sent to DAA from IMS on 2/12/2009. Issue regarding who will be responsible for Microsoft and antivirus updates. DAA contacted on 2/18/2009. Server and workstations installed by facility IMS on 2/23/2009. Installation readme file for the VSS software re-sent by DHS IT.</p> <p>Sent DHS IT physician data list for VSS system upload.</p>

	<p>Met with Finance and the Clinics regarding workflow, identification of patients that would qualify to fill their prescriptions at our facility, printing of transaction 271, and the co-pay issue.</p> <p>RLA NRC provided recommendations on the patient flyer for Medicare Part-D. Response sent from RLA NRC regarding patient satisfaction survey.</p>
March 2009	<p>Medicare Part D prescription drug plans RxAmerica, Health Net, Bravo Rx, and UniCare are fully operational. Medicare Part D prescriptions drug plans Wellcare and First Health are not operational.</p> <p>Outpatient pharmacy technicians are being trained in the VSS system and pharmacists are aware of their involvement. DAA Enterprises provided a one-day training course to educate the users of the VSS system.</p> <p>RLA Finance will look into drilling down to the BIN number and processor control number for each contracted Medicare Part D prescription drug plans. This information is to be included on the eligibility 271 transaction.</p> <p>Go-live for the Medicare Part D pilot is postponed until April 15, 2009 at RLA-NRC. This will allow for DHS resources to focus on individual facility implementation.</p> <p>Back-up of the VSS system through the purchase and hook-up of an external hard drive. Procedures have been reviewed for the security of the back-up information.</p>

MLK Implementation	
January 2009	<p>The hardware and software have received by MLK Information Systems (IS) from DHS IT. MLK IS is currently installing the software. MLK IS to deliver the computers (installed with the VSS software) to the pharmacy by February 23rd.</p> <p>The voice/data drops have been installed and an area has been prepared in the pharmacy for the online adjudication workstations.</p> <p>A physician data set was requested from Medical Administration to upload by vendor to the VSS system.</p> <p>Workflow assessments of clinic registration operations were performed. Sample 270/271 transaction reports were generated for assessment. Roles and responsibilities between MLK Pharmacy, Finance, and Ambulatory Care Administration are to be decided shortly.</p> <p>Staff education material is being drafted for use during the pilot training sessions.</p> <p>DAA Enterprises and the MLK IS department are working on vendor remote access as a priority.</p>

February 2009	<p>The computers are working and can practice with the demo version of the software.</p> <p>The clinic-patient workflow has been finalized with participation of finance. The clinic registration clerks will not be able to print the 270/271 report as the clinics have only printers that print on encounter perforated forms and not all the clinics have printers. To identify these patients, registration clerks will place a colored sticker on the back of the MLK ID card after they have checked the 270/271 information.</p> <p>A preview of this project was presented to the Clinic Managers and Directors.</p> <p>A formal introduction via flyers will be done in mid-March. These flyers will be posted in strategic areas: clinics, patient waiting areas, registration areas, and cashier's office.</p> <p>VSS training of pharmacy staff has been scheduled.</p> <p>The physician data file has been sent to DHS IT to forward to DAA for upload.</p> <p>DAA Enterprises and the MLK IS department are working on vendor remote and firewall access as a priority. .</p>
March 2009	<p>Patient and work process flow has been revised. Finalized the Pharmacy procedures, training materials, flyers, and patient satisfaction survey.</p> <p>The Medicare Part D pilot program was announced with flyers, in-servicing the registration clerks, the Cashier's office, and announcements at various MLK meetings.</p> <p>The 271 report has been modified to return the insurance name and plan type.</p> <p>The VSS software training was completed. Software and eligibility functions were tested successfully.</p> <p>Fraud, waste, and abuse training module were completed by the Pharmacy staff.</p> <p>Live testing of the five different insurance plans was successful with one (First Health Plan) remaining.</p> <p>Connectivity issues were resolved by 3/31 and ready to go-live on April 1st 2009 as planned.</p>